

the January 3, 1964, editorial, following my remarks. I think it is important that the record on this subject be complete and accurate.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Star, Jan. 3, 1964]

HAPPY DAYS

Having listened to so many shouts of alarm in recent days, it is immensely gratifying to read an Associated Press dispatch which says there is a "surprise" in the foreign aid picture. This surprise lies in the fact that foreign aid officials have just happened to "find" \$669,876,000 in unspent and unobligated funds which they didn't know they had.

Now, \$669,876,000 may not be a whole lot of money when measured against the billions which have been poured into the AID program. Still, it is a tidy sum and it will help to keep the wolf away from many a foreign aid door.

When added to the \$3 billion in new money which a pinch-penny Congress provided, after the administration had asked for \$4.5 billion, it should quiet the worst fears of those who were telling us that we had been pushed to the edge of disaster by the unwillingness of Congress to fork over.

Of course, Congress presumably didn't know just how much carryover was available when it cut the appropriation, although it certainly understood that there was something hidden under the AID mattress. But whether it knew or didn't know, this is the kind of belated discovery which lays a duty on the legislators to look with a certain skepticism on officials who just can't seem to break the spending habit. It also calls for two other things. One is a searching scrutiny of future AID money requests and a hard-boiled attitude toward them. The other is a thorough-going overhaul of AID procedures which make it possible for such a large sum to be "lost" until after AID appropriations have been set.

If these two things come to pass we may yet see the time when the taxpayers will be heard singing "Happy Days Are Here Again."

[From the Washington (D.C.) Star, Jan. 7, 1964]

NO "SURPRISE" IN AID'S CARRYOVER FUNDS

A Star editorial of January 3 suggested that AID officials have "found" funds for foreign aid that we, and the congressional committees who supervise our activities, did not know we had. Unfortunately for our badly battered budget, this is not so. Contrary to the assertion in the editorial, it is no surprise to us in AID or to the Members of the Congress responsible for our appropriations, that over \$800 million in carryovers and recoveries are available this year for economic and military assistance in addition to the new appropriations of \$3 billion just enacted.

It has been the congressional practice for years to make such funds available. Last year, for example, about \$700 million of carryovers and recoveries were available, in addition to \$3.9 billion of new appropriations.

Our estimated carryovers and recoveries for the present year have been neither "lost" nor "found" nor concealed in any way. While you were doubtless misled by news reports from others who had drawn the same erroneous conclusion, a single telephone call from them or from anyone on the Star to this agency should have avoided such unfair and misleading implications.

Beginning early last spring, we have kept the Congress fully informed at all times of what amounts of past appropriations might be available in fiscal 1964 through carryovers

and recoveries of various types. For example, in testifying before the Senate Appropriations Committee on December 9, I presented tables, which were discussed at length with the committee, showing our financial situation at that time, including carryovers from prior fiscal years, and the anticipated reimbursements and recoveries in the present fiscal year. Those figures were very close to our present estimates, the only change since then being an increase in estimated recoveries, stemming in large part from the curtailment of our programs in Cambodia.

This year, as every year, the Appropriations Committees made their decisions on new appropriations after considering the funds that would be available through carryovers and recoveries. To illustrate how carefully they consider these facts, the House Appropriations Committee this year specifically reappropriated \$127 million of last year's unspent contingency funds which we had not requested (compensating for this action, of course, by reducing our new appropriations).

When everything is taken into account, in comparison with a financial program (including carryovers and estimated recoveries), of \$436 billion requested by the President last spring, we have available instead for economic and military assistance (including carryovers and estimated recoveries), \$3.67 billion, a cut of 25 percent. This, and its consequences to U.S. interests in Asia, Africa, and Latin America, seem to me to be the major subject of interest about foreign aid appropriations this year.

DAVID E. BELL,

Administrator, Agency for International Development.

Editor's Note—In retrospect, we agree that our implication that AID had concealed the existence of the carryover fund was unjustified.

AMENDMENT OF SMALL BUSINESS INVESTMENT ACT OF 1958

Mr. PROXMIRE. Mr. President, the Senate has received a message that the House has passed the bill (S. 298) to amend the Small Business Investment Act of 1958. I ask that the Chair lay before the Senate the amendments of the House to that bill.

The PRESIDING OFFICER (Mr. WALTERS in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 298) to amend the Small Business Investment Act of 1958 which were, on page 1, strike out lines 5 through 10, inclusive, and insert:

SEC. 2. The second sentence of section 302(a) of the Small Business Investment Act of 1958 is amended to read as follows: "In order to facilitate the formation and growth of small business investment companies, the Administration is authorized, notwithstanding any other provisions of law (but only to the extent that the necessary funds are not available to the company involved from private sources on reasonable terms), to purchase the debentures of any such company in an amount not to exceed—

"(1) the lesser of \$400,000 or the amount of the paid-in capital and surplus of the company from other sources; but debentures of a small business investment company may be purchased by the Administration under the authority of this paragraph only during such period (in no case ending more than five years after the date of the issuance of such company's license under section 301(c) or the date of the enactment of the Small Business Investment Act Amendments of 1961, whichever is later) as may be fixed by the Administration; and in addition

"(2) the lesser of \$300,000 or the amount by which the paid-in capital and surplus

from other sources exceeds \$400,000; but additional debentures may be purchased by the Administration under the authority of this paragraph only during such period (in no case ending after June 30, 1965) as may be fixed by the Administration."

On page 2, line 9, after "rate" insert: "(in no case lower than the average investment yield, as determined by the Secretary of the Treasury, on marketable obligations of the United States outstanding at the time of the loan involved)"; on page 2, line 17, strike out "\$5,000,000," and insert "\$4,000,000,"; on page 2, line 21, strike out "repayment." and insert "repayment."

"(3) In agreements to participate in loans on a deferred basis under this subsection, such participation by the Administration shall not be in excess of 90 per centum of the balance of the loan outstanding at the time of disbursement."

On page 2, after line 23, insert—

"AGGREGATE LIMITATIONS"

On page 3, line 5, strike out "Act." and insert "Act, or \$1,500,000, whichever is the lesser."; and on page 3, strike out lines 11 through 14, inclusive, and insert "the United States, or in savings or share accounts in any institution the deposits or accounts of which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.".

Mr. PROXMIRE. Mr. President, I move that the Senate disagree to the amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Proxmire, Mr. ROBERTSON, Mr. SPARKMAN, Mr. DOUGLAS, Mrs. NEUBERGER, Mr. MCINTYRE, Mr. SIMPSON, Mr. TOWER, and Mr. DOMINICK conferees on the part of the Senate.

BRITAIN PROVIDES \$14 MILLION OF AIRCRAFT AID TO CUBA

Mr. PROXMIRE. Mr. President, a number of days ago a considerable amount of attention was given to a deal being arranged by which Britain would sell surplus buses to Cuba. This deal received a considerable amount of critical notice in the United States.

I am shocked to discover that another, and much more serious, transaction has now been consummated between Britain and Cuba. This deal, although also consummated, has received, to my knowledge, virtually no attention either in the press or in the Halls of Congress.

According to my understanding of the transaction, the Bristol Aircraft Corp., which used to produce Britannia Airliners, has announced that it intends to overhaul four of these airliners for delivery to Cuba. The transaction will involve some \$14 million. A Cuban mission has gone to London to arrange the precise terms. Apparently this is to be a forerunner for future aircraft transactions.

The Secretary of State has mentioned this and he has confirmed it; and this morning my office confirmed it with the State Department.

Cuba file

I believe this is a shocking breach in British-American relations. We have made it perfectly clear to the British that we view Castro-Cuba as a Communist outpost in this hemisphere. Moreover, we have made it perfectly clear that we intend to take all the necessary and appropriate economic actions to cripple the Castro regime in Cuba.

The approval by the British Government of this transaction by a British firm represents a direct attempt to thwart the economic sanctions which we have placed upon Cuba which we have had in effect since February, 1962. I believe our criticism of the British Government for permitting this transaction should be clear and unequivocal.

PRESIDENT JOHNSON'S DRIVE FOR PEACE

Mr. PROXMIER. Mr. President, President Johnson's direct offer to Premier Khrushchev to replace words with action is an approach which is typically American. Whether we get a reply which is typically Russian, or any reply at all, is a question.

The President's letter was clearly designed to elicit a response. His message is constructive without being compromising, direct without being derogatory. The tenor is positive. If the Soviets respond, if they take up only one of the President's suggestions, we may be on the way to something resembling a rule of law which might, some day, lead to genuine peace. We have reached that point in history where both East and West are aware of the dangers inherent in today's world. We may have reached the point where both East and West are ready to discuss means of reducing the dangers. Mr. Khrushchev's round-robin letter may be another Soviet propaganda ploy; it may be an evidence of helplessness and frustration; it may represent a real desire to come to some terms with the West. The President cannot know which, if any, of these the Soviet message represents.

Whatever the Soviet's purpose, the President's reply is a serious, well-reasoned, calculated effort to find an opening for discussions. His proposal for talks in a multilateral forum, whether in the United Nations, in the Disarmament Conference, or by other means, should convince the Soviets that we are ready and willing to talk with them.

President Johnson is to be congratulated, in that he resisted the temptation to reply in the usual diplomatic protocolesse, picking apart the Soviet note point by point, rehashing language of old diplomatic notes and saying very little in the end.

Admittedly, this may be only one more Soviet note. That remains to be seen. But the President's answer is certainly not just one more reply. Let us see. And let us hope that it will get something moving. If it does not, it will not be the fault of President Johnson.

ENCOURAGING PHYSICAL CONDITION OF SENATOR ENGLE

Mr. YOUNG of Ohio. Mr. President, yesterday, many Senators were present

in the Chamber when the Senator from California (Mr. ENGLE) sat in our midst and voted on the issues before the Senate at that time.

The Senator from California sits between my distinguished colleague the senior Senator from Ohio and myself. Being in a position to thus observe him, I could readily see how greatly he had improved in appearance and health since the last time he was present in the Chamber.

I know that all Senators who talked with him yesterday during the hours of the session were heartened over the fine recovery he is making.

In today's Washington Post there appears a news article under the caption "Engle's Physician Finds Senator Fit To Run Again." The article states that he is rapidly recovering from the serious brain surgery to which he was subjected several months ago. I ask unanimous consent to have the article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

ENGLE'S PHYSICIAN FINDS SENATOR FIT TO RUN AGAIN

Senator CLAIR ENGLE's physician said yesterday that the California Democrat is recovering at a pace that should permit him to be "entirely able to fulfill the duties of his office" if reelected.

ENGLE, recuperating from a brain operation last August 24, released a statement in which Dr. Roy L. Sexton, his physician, said "it can be assumed" the Senator's recovery "is proceeding on schedule and will continue henceforth on an accelerated basis."

"Upon this assumption," Sexton said, "we feel certain that the Senator will be fully able to take on the active phases of his reelection campaign at the proper time, and if elected he would likewise be entirely able to fulfill the duties of his office."

Sexton said it would be impossible to meet the request of California Democratic leaders to make public "full medical facts, including all relevant medical records" concerning ENGLE's illness. This would be "professionally and administratively impossible to comply with," the doctor said.

SENATE SERVICE RECORD OF SENATOR YOUNG OF OHIO

Mr. YOUNG of Ohio. Mr. President, during the 5 years I have served in this body, I have devoted full time to the job of representing the citizens of Ohio as one of their two U.S. Senators.

It is well known that in December of 1951, following my election, I severed all connection with my law practice in Cleveland, to which I had been devoted for more than 40 years, and that I had my name removed from my office door.

In addition, it is well known that I made a complete disclosure of my financial holdings, for the reason that I had criticized my opponent during the campaign on the subject of conflict of interest, and I desired that the citizens of my State should know the status of my financial situation.

At that time I sold the stocks which I owned in Pan American World Airways, because I was appointed a member of the Committee on Aeronautical and Space Sciences. I also sold some sugar stock which I owned because I was appointed a member of the Committee

on Agriculture and Forestry. I sold these stocks at much less than their market value.

During the 5 years I have served in the Senate, I have been present and voted on more than 90 percent of all yeas-and-nays.

The PRESIDENT pro tempore. The time of the Senator from Ohio has expired.

Mr. YOUNG of Ohio. Mr. President. I ask unanimous consent that I may proceed for 3 additional minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. YOUNG of Ohio. I see my distinguished colleague the senior Senator from Ohio in the Chamber. He is almost invariably present. If the record of the past 5 years is checked, it will be readily observable to anyone that the two Senators from the State of Ohio have an attendance and voting record of well over 90 percent.

In recent months, I have missed only 3 yeas-and-nays.

On Tuesday, January 14, I was at the White House when a yeas-and-nays vote was taken on passage of a bill providing for an increase in capital stock for the Inter-American Bank. Had I been present to vote, I would have voted "no." The bill passed, 45 to 24. On January 20, I was necessarily absent from the Senate to deliver the keynote address to an informal gathering of Democrats in Columbus, Ohio. On that day, while in my home State, I missed two yeas-and-nays. Both were on the bill to provide an increase in resources for the Inter-American Development Association. The first yeas-and-nays vote was on the Morse motion to recommit the bill. Had I been present, I would have voted "yes." The motion failed of passage by a vote of 30 to 37. The second yeas-and-nays vote was on final passage of the bill. Had I been present, my vote would have been "no"—the same as that of my distinguished colleague from Ohio. The bill passed, 38 to 31.

I make this statement so that the Record will clearly state my position. No one need ever question where I stand on any issue, although frequently they may disagree with me.

While making this statement, Mr. President, I ask unanimous consent to have the address I made in Columbus printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

KEYNOTE SPEECH OF U.S. SENATOR STEPHEN M. YOUNG AT DEMOCRATIC MEETING IN COLUMBUS, OHIO, JANUARY 20, 1964

My fellow Democrats—my neighbors and friends. I am happy to be here this morning to meet with you who are the leaders of the United Democratic Party of Ohio. The Senate is in session. The majority leader, MIKE MANSFIELD, has asked me to return to Washington as soon as possible. If I miss shaking hands with each of you personally, I do it figuratively.

I hope for and shall be proud to have the support and help of each one of you Democratic leaders in my candidacy for reelection. On January 7 the Ohio Democratic County Chairman's Association meeting here in Columbus endorsed me for reelection as your U.S. Senator.

We Democrats may well be proud of our party's past. Its victories have been the